



CASE STUDY

Cheers to Smarter Operations: Southern Glazers Raises a Glass to Realized Maintenance Goals

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Southern Glazers Wine & Spirits stands as a titan in the alcoholic beverage distribution industry, a position solidified by the 2016 merger of two long-standing leaders, Southern Wine and Spirits and Glazer's Distribution. This union created a vast and complex enterprise, operating across numerous facilities with diverse operational needs and state-specific regulations.

Before the full adoption of a unified system, individual sites often managed maintenance with homegrown solutions, leading to inconsistencies, a lack of centralized data, and limited visibility into critical operational metrics. This decentralized approach, while practical in the past, became unsustainable as the company grew and optimized its extensive supply chain.

The challenge was clear: how to standardize maintenance, gain comprehensive asset visibility, and drive efficiency across such a varied and expansive operational landscape.

Moving from siloed facilities to a consistent, scalable maintenance strategy

Amid the complexities of integrating two major companies and navigating a volatile industry climate, Southern Glazers recognized the imperative to modernize its operations.

"When we were smaller, each site had to be resourceful and run its own business," says Sean Kelly, Senior Director of National Operational Effectiveness. "There was not a lot of collaboration and standardization."

This fragmented approach made it difficult to track spending, optimize inventory, and implement consistent maintenance strategies across their 30+ distribution centers, which vary drastically in size and operational model.

In 2023, Southern Glazers made a strategic move to implement Siemens Asset Essentials, a comprehensive Computerized Maintenance Management System (CMMS), across all its main production facilities. Siemens flexibility and collaborative approach



Customer: Southern Glazer's Wine & Spirits
Sean Kelly, Senior Director of National Operational Effectiveness

Vitals: A premier beverage distributor for wines, spirits, beer, and non-alcoholic products with:

- The largest distribution of liquor and wine in the United States
- 30+ distribution centers
- Approximately 250 full-time Asset Essentials users

Results: Leveraging Siemens Asset Management Software, Southern Glazers Wine & Spirits:

- Increased work order completion rate by 23%, reduced downtime by 7% in 3 years.
- Established a 90% preventative maintenance to 10% reactive maintenance ratio.
- Reduced spare parts in stock by 11%, with a larger goal of 25% reduction by 2030.

were crucial in tailoring the solution to Southern Glazer's specific needs, including everything from managing conveyor systems to facility-wide maintenance.

Kelly selected Asset Essentials as Southern Glazers' asset management system because of its customization capabilities and strategic customer service team. Siemens Asset Management Software allowed Kelly to be, what he fondly refers to himself as, "a modification monster."

The initial rollout involved a significant collaborative effort, with Kelly recalling, "It was an extremely collaborative effort. We needed a lot of help. Siemens was very flexible with us and waited for us to get our houses in order."

Today, approximately 250 full-time users leverage Asset Essentials daily, transforming how Southern Glazers manages its vast array of assets.

A full organizational maintenance strategy provides ROI

Southern Glazer's most significant achievement has been the shift towards a proactive maintenance culture. "We are doing more preventative maintenance than ever, and it's leading to less downtime," Kelly proudly states.

This strategic shift is clearly reflected in their impressive 90% preventative maintenance to 10% reactive maintenance ratio, a testament to their commitment to proactive asset care, and has **directly contributed to a 7% reduction in downtime from 2023 to 2026** — a critical improvement for an organization where operational continuity is paramount.

Beyond reducing downtime, Asset Essentials has dramatically improved the efficiency of maintenance operations. The work order completion rate, a key indicator of responsiveness and effectiveness, has increased substantially, **rising from 60% in 2023 to 83% in 2026 for work orders completed before their expected date**. This improvement ensures that critical maintenance tasks are

addressed promptly, minimizing disruptions and maximizing asset lifespan.

The system has also provided unprecedented visibility into inventory and spending, enabling data-driven decisions that directly impact the bottom line.

"I can utilize the dashboards, and I can go to the Chief Financial Officer right now," Kelly says, "and show him how many millions of dollars of inventory we have." This has led to tangible financial benefits, including **an 11% reduction in inventory parts and dollars on hand from 2023 to 2026 year to date, with an ambitious goal of a 25% reduction by 2030**.

This optimization not only frees up capital but also allows for more strategic inventory sharing between facilities. Furthermore, data from Asset Essentials has enabled Southern Glazers to negotiate more favorable agreements with material-handling equipment vendors, locking in pricing for spare parts and avoiding high markups.

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Top-notch partners in strategic growth

Southern Glazers views Asset Essentials not merely as a maintenance tool, but as a strategic partner in its continued growth and acquisition strategy. The system provides a playbook for integrating new facilities and methodologies, ensuring seamless transitions and immediate operational efficiency.

Kelly emphasizes the strength of their partnership with Siemens, praising the top-notch customer service, technical support, and responsiveness to their feedback. As Southern Glazers continues to expand its footprint and embrace new challenges, Asset Essentials remains an indispensable tool, driving operational excellence and securing a competitive edge in a dynamic industry.



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